



**SPECIAL MEETING OF THE COMMON COUNCIL
MIDDLETOWN CONNECTICUT
OCTOBER 13, 2016**

The Special meeting of the Common Council of the City of Middletown was held in the Council Chamber of the Municipal Building on Thursday, October 13, 2016 Immediately following the 7 p.m. meeting

Present

Deputy Mayor Robert P. Santangelo, Councilman Eugene Nocera, Councilman Thomas J. Serra, Councilwoman Mary A. Bartolotta, Councilman Gerald E. Daley, Councilman Robert Blanchard, Councilman Sebastian N. Giuliano, Councilman Philip J. Pessina, Councilwoman Linda Salafia; Sergeant-at-arms Officer and Common Council Clerk Marie O. Norwood.

Absent

Mayor Daniel T. Drew; Councilman Carl R. Chisem, Councilman Grady L. Faulkner, Jr., Councilwoman Deborah Kleckowski, and Corporation Counsel Daniel B. Ryan

Also Present

Seven member of the public

1. Mayor calls meeting to order Immediately following the 7 p.m. Community Public Meeting.

The Acting Chair opens the meeting at 8:04 p.m. and leads the public in the Pledge of Allegiance. He states that he will be exercising his right to vote at this meeting.

The Clerk reads the call of the meeting; the Acting Chair declares the call a legal call and the meeting a legal meeting.

2. Public Hearing Opens on Agenda Items.

The Acting Chair opens the public hearing at 8:07 asking if there are any members of the public wishing to speak on the agenda item.

3. Public Hearing Closes on Agenda Items.

Seeing no members of the public wishing to address this item, the Acting Chair closes the public hearing at 8:07 p.m.

4. Chair opens Questions to Directors

Councilwoman Bartolotta states there is no one from the Police Department to speak to this item. Councilman Pessina states Captain Lozefski came last night to the 21st Century meeting and informed the committee he needed to be at this meeting because we were bringing this up.

5. Chair closes Questions to Directors

The Acting Chair closes this portion of the meeting.

7. Mayor requests Council Clerk to read the appropriation and bond ordinance request and the Certificate of Director of Finance.

Bond Notice

002196


CITY OF MIDDLETOWN
MAYOR'S OFFICE
MUNICIPAL BUILDING
OFFICE OF APPROPRIATION

Notice is hereby given that a meeting of the Common Council of the City of Middletown will be held in the Council Chamber of the Municipal Building on October 13, 2016, immediately following the 7 p.m. Community Meeting to consider and act upon the following Appropriation Ordinance:

AN ORDINANCE APPROPRIATING BOND FOR THE PURCHASE OF VEHICLES AND RELATED EQUIPMENT FOR THE MIDDLETOWN POLICE DEPARTMENT AND AUTHORIZING THE ISSUANCE OF BOND FOR THE CITY TO MEET SAID APPROPRIATION AND PROVIDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BONDWORKS FOR SUCH PURPOSE.

Any and all persons interested may appear and be heard. The complete text of this proposed Ordinance is on file and open to public inspection in the office of the City Clerk.

ATTEST:


Daniel T. Drew
Mayor

Dated at Middletown, Connecticut, this 21st day of October, 2016.

The Council Chamber is wheelchair accessible. If you require special accommodations for any meeting, please call the (860) 634-4823 (TDD/TTY) or the Town Clerk's Office at (860) 634-6918 at least ten days prior to the scheduled meeting.

Certificate of Finance

MEMORANDUM

TO: His Honor, Mayor Daniel T. Drew and
Members of the Common Council


FROM: Finance Department


DATE: September 30, 2016

RE: Certification of Funds

This is to certify that funds sufficient to meet the appropriations requested at your meeting on October 13, 2016 are available as follows:

Purchase of Vehicles & Related Equipment for Middletown PD Ordinance Bond Issue	\$657,000
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Respectfully submitted,

Carl Etlicher
Director of Finance &
Revenue Services


10/5/16 12:44 PM

A. AN ORDINANCE APPROPRIATING \$657,000 FOR THE PURCHASE OF VEHICLES AND RELATED EQUIPMENT FOR THE MIDDLETOWN POLICE DEPARTMENT AND AUTHORIZING THE ISSUE OF \$657,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE
(Approved)

Ordinance No. 22-16
File Name Middletown – PoliceVehicleUpgradesamended – Bond Ordinance Clean Copy

Section 1. The sum of \$657,000 is hereby appropriated for the purchase of at least twelve (12) marked patrol vehicles and no more than two (2) unmarked vehicles, as well as paint, graphics, lighting, sirens, radios, protective equipment, storage, computers, computer mounts, cages, firearm mounts, and all other upgrades, services, improvements and costs related to the vehicles, including, without limitation, labor, administration, and inspection, and all other costs necessary or appropriate for the project, including a contingency amount necessary to cover unexpected costs, advertising, printing, legal, and financing costs related thereto (hereinafter the "Project"). Said appropriation shall be inclusive of state and federal grants in aide thereof.

Section 2. The expected useful life of the Project is approximately ten (10) years. The total estimated cost of the Project is \$657,000, no portion of which is expected to be paid from sources other than the proposed bond issue.

Section 3. To meet said appropriation, \$657,000 bonds of the City, or so much thereof as may be necessary for said purpose, may be issued, maturing not later than the tenth (10th) year after their date, or such later date as may be allowed by law. The bonds may be issued in one or more series as shall be determined by the Mayor and the City Treasurer, and the amount of bonds of each series to be issued shall be fixed by the Mayor and the City Treasurer. The bonds shall be issued in an amount necessary to meet the City's share of Project costs determined after considering the estimated amounts of grants in aid of the Project and will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, printing and legal costs of issuing the bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, or, be combined with other bonds of the City and such combined issue shall be in the denomination per aggregate maturity of \$1,000 or a whole multiple thereof, be issued in bearer form or in fully registered form, be executed in the name and on behalf of the City by the manual or facsimile signatures of the Mayor and the City Treasurer, bear the City seal or a facsimile thereof, be certified by a bank or trust company designated by the Mayor and the City Treasurer, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company designated by the Mayor and the City Treasurer, and be approved as to their legality by Bond Counsel. The bonds shall bear such rate or rates of interest (whether fixed or floating) as shall be determined by the Mayor and the City Treasurer. The bonds shall be general obligations of the City and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon and paid from property taxation to the extent not paid from other funds available for the payment thereof. The aggregate principal amount of the bonds of each series, the annual installments of principal, maturity dates, prices, redemption provisions, if any, time of issue and sale, and other terms, details and particulars of such bonds, including the terms of any reserve that might be established as authorized herein, shall be determined by the Mayor and the City Treasurer in the best interests of the City and in accordance with the requirements of the General Statutes of Connecticut, as amended.

Section 4. Said bonds shall be sold by the Mayor and City Treasurer in a competitive offering or by negotiation, in their discretion. If sold at competitive offering, the bonds shall be at not less than par and accrued interest on the basis of the lowest net or true interest cost to the City, or comparable method. If the bonds are sold by negotiation, the purchase contract shall be approved by the Mayor and City Treasurer.

Section 5. The Mayor and the City Treasurer are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of any series of said bonds. Notes evidencing such borrowings shall be signed by the manual or facsimile signatures of the Mayor and the City Treasurer, have the seal of the City or a facsimile thereof affixed, be payable at a bank or trust company designated by the Mayor and the City Treasurer, be certified by a bank or trust company designated by the Mayor and the City Treasurer pursuant to the General Statutes of Connecticut, as amended, and be approved as to their legality by Bond Counsel. They shall be issued with maturity dates which comply with the provisions of the General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the City and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the Project. Upon the sale of said bonds the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such temporary borrowings then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 6. In connection with the issuance of any bonds or notes authorized herein, the City may exercise any power delegated to municipalities pursuant to Section 7-370b, as may be approved and executed by the Mayor and the City Treasurer, including the authority to enter into agreements moderating interest rate fluctuation, provided any such agreement or exercise of authority shall be approved by the Common Council.

Section 7. With respect to the receipt of original issuance premium or bid premium upon the sale of the bonds or notes herein authorized, the Mayor and City Treasurer are authorized, but not required, to apply original issuance premium and bid premium, if applicable, to fund future debt service payments on such bonds or notes or to fund any purpose for which bonds of the City are authorized to be issued, and such application shall reduce the amount of authorized and unissued bonds of the purpose to which the premium was applied, in the amount so applied.

Section 8. In order to meet the capital cash flow expenditure needs of the City, the Director of Finance, with notice to and advice from the Mayor and the City Treasurer, is authorized to allocate and reallocate expenditures incurred for the Project to any bonds or notes of the City outstanding as of the date of such allocation, and the bonds or notes to which such expenditures have been allocated shall be deemed to have been issued for such purpose, including the bonds and notes and Project herein authorized.

Section 9. The issue of the bonds aforesaid and of all other bonds or notes of the City heretofore authorized but not yet issued, as of the effective date of this Ordinance, would not cause the indebtedness of the City to exceed any debt limit calculated in accordance with law as shown by the "Debt Statement" attached hereto.

Section 10. The Mayor is hereby authorized to spend a sum not to exceed the aforesaid appropriation for the purposes set forth herein, and the Mayor is specifically authorized to make, execute and deliver any contract or contracts, and any other documents necessary or convenient to complete the improvements authorized herein and the financing thereof.

Section 11. The Mayor, the City Treasurer, the Director of Finance and any other proper City official are each hereby authorized to apply for and accept any available State or Federal grant in aid of the financing of the Project, and to take all action necessary or proper in connection therewith.

Section 12. The City hereby expresses its official intent pursuant to 1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid 60 days prior to and after the date of passage of this ordinance in the maximum amount and for the Project with the proceeds of bonds, notes, or other obligations authorized to be issued by the City. Such obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, or such later date as the Regulations may authorize. The City hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Director of Finance or his designee is authorized to pay project expenses in accordance herewith pending the issuance of any such reimbursement obligations, and to amend this declaration.

Section 13. The Director of Finance is hereby authorized to exercise all powers conferred by Section 3-20e of the general statutes with respect to secondary market disclosure and to provide annual information and notices of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this ordinance.

Section 14. This ordinance shall become effective fifteen days after its publication in a newspaper of general circulation in the City pursuant to Section 5 of the City Charter.

SEE ATTACHED DEBT LIMITATION SCHEDULE

DEBT STATEMENT
July 29, 2016
CITY OF MIDDLETOWN, CONNECTICUT

ANNUAL RECEIPTS FROM TAXATION AND REIMBURSEMENTS ("BASE")

Fiscal Year Ended June 30, 2015	121,572,543
BORROWING CAPACITY FOR EACH CLASS	
2-1/4 times base for General Purposes	273,538,222
4-1/2 times base for Schools	547,076,444
3-3/4 times base for Sewers	455,897,036
3-1/4 times base for Urban Renewal	395,110,765
3 times base for Unfunded Past Benefit Obligations	364,717,629
MAXIMUM AGGREGATE BORROWING CAPACITY 7 times Base	851,007,801
INDEBTEDNESS BONDS AND NOTES:	
GENERAL PURPOSES	59,728,225

SCHOOLS	9,464,400	
SEWERS	5,061,550	
URBAN RENEWAL	-	
UNFUNDED PAST BENEFIT		
OBLIGATIONS	-	
BONDS AND NOTES AUTHORIZED BUT UNISSUED:		
GENERAL PURPOSES	54,009,220	
SCHOOLS	748,000	
SEWERS	26,746,130	
URBAN RENEWAL	-	
UNFUNDED PAST BENEFIT		
OBLIGATIONS	-	
CLEAN WATER FUND LOANS:		
SEWERS - PLOs	4,444,453	
SEWERS - IFOs	17,019,167	
SUB-TOTAL INDEBTEDNESS	169,580,107	
LESS		
FEDERAL AND STATE OF CONNECTICUT		
BUILDING GRANTS, COMMITMENTS AND		
RECEIVABLES		
GENERAL PURPOSE	-	
SCHOOLS	-	
SEWERS	15,000,000	
URBAN RENEWAL	-	
TOTAL DEDUCTIONS	-	
NET INDEBTEDNESS		162,221,145
TOTAL DEDUCTIONS		
BALANCE OF BORROWING CAPACITY FOR EACH		
CLASS:		
GENERAL PURPOSE	159,800,777	
SCHOOLS	536,864,044	
SEWERS	417,625,736	
URBAN RENEWAL	395,110,765	
UNFUNDED PAST BENEFIT		
OBLIGATIONS	364,717,629	
BALANCE OF MAXIMUM AGGREGATE BORROWING		
CAPACITY AVAILABLE		688,786,656

Councilman Serra reads the bond Ordinance, An Ordinance Appropriating \$657,000 For The Purchase Of Vehicles And Related Equipment For The Middletown Police Department And Authorizing The Issue Of \$657,000 Bonds Of The City To Meet Said Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose through Section 1.

Motion to Waive the Rules

Councilman Daley moves to waive the rules to waive the reading of the rest of the ordinance; his motion is seconded by Giuliano. The Acting Chair calls for the vote and it is unanimous to approve with nine aye votes; Council members Chisem, Faulkner, and Salafia are absent.

Councilman Serra moves the Bond Ordinance for Police Vehicles for approval; Councilman Daley seconds the motion.

Councilman Serra states it is disconcerting no one is here to represent the Police Department for the cars they want and emphatically making the case at Finance and Government. This is for safety of the officers and cost of the repairs of the older vehicles. The wisdom of the Finance Committee is at least 12 marked patrols and only two unmarked. They are to be used on the road and not be given to the people who take vehicles home from administration. It is no more than two unmarked for that purpose. Each vehicle costs \$47,000; the Chief said \$40,000. If they are \$40,000 there are 2 1/2 more cars available and if two others can be purchased, it will be for patrol cars. It says in the minutes that Captain Lozefski is purchasing 12 patrol and 2 unmarked cars and that is what we expect. He hopes you support that. Councilwoman Bartolotta agrees with Councilman Serra and she is in full agreement because it is for the safety of Police officers and the city. She would like the Police Department to have a plan of action, a projection so we don't have to bond like this for vehicles. Councilman Giuliano thanks Councilwoman Bartolotta because she took the words out of my mouth. I voted for this in Finance and will vote for it tonight. This is for equipment that has a finite life span. In the previous meeting, we had a discussion of lack of foresight and planning. He hopes we plan for this in the future. He wonders, we as a council has to pay for what the city needs and the way we are structured makes it harder to do the job instead of easier. We need to look at the structure of our commissions and charges they have and understand a committee that parallels each department that makes it better for the executive branch, but the committees should represent the functions we perform and that should be our first priority. We needed to do this; these are front line vehicles, but we need better planning. To put them on the credit card, we can afford it but we have big ticket items and we don't want to max out the credit card before we get there. We should hold a department's feet to the fire about borrowing money. Councilman Pessina will support this bond and he is glad to see the department is going back to rotating vehicles out and only two should be administrative. Officers depend on these vehicles and he does recall from Public Safety's meeting that Chief McKenna and Captain Lozefski did a great job regarding this. They do have a plan and hopes they stick to it. We will ensure that they stick to it and he is disappointed that the leadership is not here to support this.

He states equipment and technology does not come cheap; the bottom line is whatever comes out is for the safety of the officers. We will monitor it and that they stick to the program. Councilman Giuliano states the two vehicles are unmarked, not administrative. They are frontline vehicles. They are for the officers out there protecting us. That is why it passed unanimously at Finance and Government.

Acting Chair Santangelo states he will support this as well. We are looking at this appropriation because CNR was cut so purchasing equipment isn't in the budget. We have to take partial responsibility for this, this evening. Public Safety, and it should be done for all departments, should do long range planning. We have to look at what we are doing and how we are appropriating money. There should be accountability. We need to look at what we expect to see a few years from now; we should see each department's plan and what they will be spending and for what. We should do more of that. He will support this and what we should do at Public Safety is say we want a strategic plan for staff and equipment five years out so we know what will be spent. Councilwoman Bartolotta states we have done that.

Councilman Daley will support this ordinance; he voted for it at Finance and Government and it is needed for the safety of our Police officers and community at large. We have this large number because we have not funded CNR for a number of years. We have to understand that; adequately funding capital needs of the city is critical because it costs us more in the long run. I am not overly concerned in this case because we have a favorable borrowing capacity. The cost of vehicles has increased dramatically in the last few years and will continue to do so. I don't think it is a bad thing to bond at a 1.4% rate. It is a good rate. I am not overly concerned about the bonds because we pay off the bonds in ten years; he would be more concerned if we bonded for 20 years. Councilwoman Bartolotta agrees we can pay our bills for bonding, but we are stacking them up; this year alone with over \$12.5 million and an additional \$6.4 for sewers, \$11.2 million for parks even though the high school is coming off. If we add these numbers in, we will be going over that and we will have to cut back on the budget. Yes, you can have a big credit card, but if you have to raise taxes to pay for it, that is the bigger picture. We have to look at funding CNR in the future.

The Acting Chair has a motion and second and calls for a roll call vote.

Councilwoman Bartolotta	Aye	
Councilman Blanchard	Aye	
Councilman Chisem		Absent
Councilman Daley	Aye	
Councilman Giuliano	Aye	
Councilwoman Faulkner		Absent
Councilwoman Kleckowski		Absent
Councilman Nocera	Aye	
Councilman Pessina	Aye	
Councilman Salafia	Aye	
Councilman Santangelo	Aye	
Councilwoman Serra	Aye	

The Acting Chair states the motion carries with nine in favor and three not in attendance.

8. Meeting adjourned.
- Councilman Serra moves to adjourn; his motion is seconded by Councilman Giuliano. The Acting Chair calls for the vote and it is unanimous with nine aye votes. The Acting Chair adjourns the meeting at 8:28 p.m.

ATTEST

MARIE O. NORWOOD
COMMON COUNCIL CLERK